COMMISSIONER







DATE:

AUGUST 1, 1996

DOCKET NO:

U-2483-96-371

TO ALL PARTIES:

Enclosed please find the recommendation of Hearing Officer Scott S. Wakefield. The recommendation has been filed in the form of an Opinion and Order on:

TONTO HILLS UTILITY COMPANY (EMERGENCY RATE INCREASE)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Hearing Officer by filing an original and ten (10) copies of the exceptions with the Commission's Docket Control at the address listed below by 5:00 p.m. on or before:

AUGUST 12, 1996

The enclosed is <u>NOT</u> an order of the Commission, but a recommendation of the Hearing Officer to the Commissioners. Consideration of this matter has <u>tentatively</u> been scheduled for the Commission's Working Session and Open Meeting to be held on:

AUGUST 20, 1996 and AUGUST 21, 1996

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250.

James Matthews

EXECUTIVE SECRETARY

JM Enc

cc: ALL PARTIES

BEFORE THE ARIZONA CORPORATION COMMISSION

28

RENZ D. JENNINGS
CHAIRMAN
MARCIA WEEKS
COMMISSIONER
CARL J. KUNASEK
COMMISSIONER

IN THE MATTER OF THE APPLICATION OF THE TONTO HILLS UTILITY COMPANY FOR AN EMERGENCY INTERIM RATE INCREASE IN WATER SERVICE.

DOCKET NO. U-2483-96-371

DECISION NO. ____

OPINION AND ORDER

DATE OF HEARING:

July 24, 1996

PLACE OF HEARING:

Phoenix, Arizona

PRESIDING OFFICER:

Scott S. Wakefield

APPEARANCES:

Mr. Don Unthink, Vice President, on behalf of Tonto Hills Utility

Company;

Mr. Fred Osmon, in pro personia, and on behalf of Tonto Hills

Homeowners Association, Intervenors;

Mr. Howell Conant II, Intervenor In Pro Personia; and

Mr. Bradford Borman, Staff Attorney, Legal Division, on behalf of the

Utilities Division of the Arizona Corporation Commission.

BY THE COMMISSION:

On June 28, 1996, Tonto Hills Utility Company ("Company" or "Applicant") filed an application with the Arizona Corporation Commission ("Commission") for an emergency increase in its water rates ("Application"). By Procedural Order dated July 11, 1996, a hearing in this matter was set for July 24, 1996. On July 15, 1996, Mr. Fred Osmon, President of Tonto Hills Homeowners Association, filed a Notice of Intent to Intervene. Also on July 19, 1996, Mr. Howell Conant II filed a request to intervene. By Procedural Order dated July 17, 1996, Tonto Hills Homeowners Association's request to intervene was granted. At the hearing on July 24, 1996, Mr. Howell Conant II's request to intervene was granted.

On July 24, 1996, a hearing was held before a duly authorized Hearing Officer of the Commission in Phoenix, Arizona. At the beginning of the hearing, the Company requested to withdraw its Application in this matter. The hearing was then concluded and the Hearing Officer took the matter under advisement pending submission of a Recommended Opinion and Order to the Commission.

* * * * * * * * * * *

Having considered the entire record herein and being fully advised in the premises, the Commission finds, concludes, and orders that:

FINDINGS OF FACT

- 1. Applicant is a public service corporation which provides water utility service to the public in Maricopa County, Arizona.
- 2. On June 28, 1996, the Company filed an Application with the Commission for an emergency rate increase in its water rates.
 - 3. On July 11, 1996, the Commission scheduled a hearing in this matter for July 24, 1996.
- 4. On July 15, 1996, Tonto Hills Homeowners Association and the Chairman of its Water Resources Committee requested intervention in this proceeding which was granted July 17, 1996.
- 5. On July 19, 1996, Howell Conant II requested intervention in this proceeding, which was granted on July 24, 1996.
- 6. At the hearing on July 24, 1996, the Company moved to withdraw its Application. The Company indicated that the end of the high usage season, monsoons and conservation have resulted in the Company no longer needing to truck in additional water.
- 7. Neither the Commission's Utilities Division Staff nor the intervenors objected to the withdrawal of the Application.

CONCLUSIONS OF LAW

- 1. Applicant is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-250 and 40-251.
 - 2. The Commission has jurisdiction over Applicant and the subject matter of the Application.
 - 3. It is reasonable to dismiss the Application.

DECISION NO. ____

COMMISSIONER

ORDER IT IS THEREFORE ORDERED that the Application of Tonto Hills Utility Company for an emergency interim rate increase for its water service be, and hereby is, dismissed. IT IS FURTHER ORDERED that this Decision shall become effective immediately. BY ORDER OF THE CORPORATION COMMISSION. COMMISSIONER CHAIRMAN IN WITNESS WHEREOF, I, JAMES MATTHEWS, Executive Secretary of the Arizona Corporation Commission, heave hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this _____ day of _____, 1996. JAMES MATTHEWS **EXECUTIVE SECRETARY** DISSENT _____ SSW:dap

DECISION NO.

1	SERVICE LIST FOR:	TONTO HILLS UTILITY COMPANY
2	DOCKET NO.:	U-2483-96-371
3	- may n 11 .	
4	James F. Skane, President TONTO HILLS UTILITY COMPA	NY
5	42602 North Turquoise Lane Cave Creek, Arizona 85331	
6	Fred L. Osmon, Chairman TONTO HILLS HOMEOWNERS A	SSOCIATION
7	11732 E. Blue Wash Road, Tonto Hills Cave Creek, Arizona 85331	
8		
9	Howell Conant II 42834 Hohokam Road Cave Creek, Arizona 85331	
10		
11	Paul A. Bullis, Chief Counsel Bradford Borman, Staff Attorney	
12	Legal Division ARIZONA CORPORATION COM 1200 West Washington Street	MISSION
13	Phoenix, Arizona 85007	•
14	Gary Yaquinto, Director Utilities Division	
15	ARIZONA CORPORATION COMMISSION 1200 West Washington	
16	Phoenix, Arizona 85007	
17		•
18		
19		
20		
21		
22		
23		